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DEPARTMENT OF COMMERCE

International Trade Administration

[A-570-918]

Steel Wire Garment Hangers from the People's Republic of China: Preliminary Results of Antidumping Duty Administrative Review and New Shipper Review; 2011-2012

AGENCY: Enforcement and Compliance, formerly Import Administration, International Trade Administration, Department of Commerce.

SUMMARY: The Department of Commerce (the “Department”) is conducting the fourth administrative review and the first new shipper review (“NSR”) of the antidumping duty order on steel wire garment hangers from the People's Republic of China (“PRC”).¹ There is one participating mandatory respondent in this review, the Shanghai Wells Group.² We selected seven additional companies as mandatory respondents but, they did not participate.³ Also under review is the new shipper company Hangzhou Yingqing Material Co. Ltd. (“Yingqing”). The Department has preliminarily determined that Yingqing and Shanghai Wells sold subject merchandise in the United States at prices below normal value during the period of review (“POR”), October 1, 2011, through September 30, 2012. Additionally, seven companies were

¹ See Notice of Antidumping Duty Order: Steel Wire Garment Hangers from the People's Republic of China, 73 FR 58111 (October 6, 2008) (“Order”).

² The Department previously found that Shanghai Wells Hanger Co., Ltd. (“Shanghai Wells”), Hong Kong Wells Ltd. (“HK Wells”) and Hong Kong Wells Ltd. (USA) (“Wells USA”) are affiliated and that Shanghai Wells and HK Wells comprise a single entity (collectively, “Shanghai Wells Group”). Because there were no changes in this review to the facts that supported that decision, we continue to find Shanghai Wells, HK Wells, and USA Wells are affiliated and that Shanghai Wells and HK Wells comprise a single entity. See Steel Wire Garment Hangers From the People's Republic of China: Preliminary Results and Preliminary Rescission, in Part, of the First Antidumping Duty Administrative Review, 75 FR 68758, 68761 (November 9, 2010), unchanged in First Administrative Review of Steel Wire Garment Hangers From the People's Republic of China: Final Results and Final Partial Rescission of Antidumping Duty Administrative Review, 76 FR 27994, 27996 (May 13, 2011) (“Hangers 1st AR”).

³ See the Department's memorandum titled “Steel Wire Garment Hangers from the People's Republic of China: Decision Memorandum for the Preliminary Results of the 2011-2012 Antidumping Duty Administrative Review and New Shipper Review,” (“Preliminary Decision Memorandum”), dated concurrently with these results and hereby adopted by this notice.

selected for review, but did not fully cooperate and have been determined to be part of the PRC-wide entity.⁴ If these preliminary results are adopted in our final results of review, we will instruct U.S. Customs and Border Protection (“CBP”) to assess antidumping duties on all appropriate entries of subject merchandise during the POR. We invite interested parties to comment on these preliminary results.

As explained in the memorandum from the Assistant Secretary for Enforcement and Compliance, the Department has exercised its discretion to toll deadlines for the duration of the closure of the Federal Government from October 1, through October 16, 2013.⁵ Therefore, all deadlines in this segment of the proceeding have been extended by 16 days. If the new deadline falls on a non-business day, in accordance with the Department’s practice, the deadline will become the next business day. The revised deadline for the preliminary results of this review is now November 18, 2013.⁶

DATES: EFFECTIVE: [Insert date of publication in the Federal Register.]

FOR FURTHER INFORMATION CONTACT: Frances Veith or Josh Startup, AD/CVD Operations, Office V, Enforcement and Compliance, International Trade Administration, Department of Commerce, 14th Street and Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-4295 or (202) 482-5260, respectively.

⁴ See PRC-Wide Entity section *infra*.

⁵ See Memorandum for the Record from Paul Piquado, Assistant Secretary for Enforcement and Compliance, “Deadlines Affected by the Shutdown of the Federal Government” (October 18, 2013).

⁶ November 16, 2013, is a Saturday. Department practice dictates that where a deadline falls on a weekend or federal holiday, the appropriate deadline is the next business day. See Notice of Clarification: Application of “Next Business Day” Rule for Administrative Determination Deadlines Pursuant to the Tariff Act of 1930, As Amended, 70 FR 24533, 24533 (May 10, 2005).

SUPPLEMENTARY INFORMATION:

Scope of the Order

The product covered by the order is steel wire garment hangers. This product is classified under the Harmonized Tariff Schedule of the United States (“HTSUS”) subheadings: 7326.20.0020, 7323.99.9060, and 7323.99.9080. Although the HTSUS subheadings are provided for convenience and customs purposes, the written product description remains dispositive.⁷

PRC-Wide Entity

Seven of the companies the Department selected as mandatory respondents in the administrative review failed to respond to the Department’s requests for information and/or declined to participate in this review.⁸ These companies, therefore, are not eligible for separate rate status.⁹ Accordingly, the Department preliminarily finds that the PRC-wide entity includes these seven companies. Furthermore, because these companies all withheld requested information, failed to provide information in a timely manner and in the form requested, and significantly impeded this proceeding, the Department relied on facts available.¹⁰ Additionally, the Department finds that these companies failed to cooperate by not acting to the best of their ability to comply with a request for information.¹¹ Therefore, pursuant to section 776(b) of the Act, the Department used an inference that is adverse to the interests of these companies when it

⁷ See the Preliminary Decision Memorandum for a complete description of the scope of the Order.

⁸ These seven companies are: (1) Shaoxing Dingli Metal Clotheshorse Co., Ltd., (2) Shaoxing Tongzhou Metal Manufactured Co., Ltd., (3) Shaoxing Andrew Metal Manufactured Co., Ltd., (4) Shaoxing Gangyuan Metal Manufacture, (5) Shaoxing Shunji Metal Clotheshorse Co., Ltd., (6) Shaoxing Guochao Metallic Products Co., Ltd., and (7) Ningbo Dasheng Hanger Ind. Co., Ltd.

⁹ See Initiation of Antidumping and Countervailing Duty Administrative Reviews and Request for Revocation in Part, 77 FR 71575 (December 3, 2012) (“Initiation Notice”)

¹⁰ See sections 776(a)(2)(A) - (C) of the Tariff Act of 1930, as amended (the “Act”).

¹¹ See section 776(b) of the Act.

selected from among the facts otherwise available.¹² Thus, the Department relied on adverse facts available (“AFA”) in order to determine a margin for the PRC-wide entity, pursuant to sections 776(a)(2)(A), (B), (C) and 776(b) of the Act.¹³

Petitioner submitted a timely request for withdrawal of review¹⁴ for ten of the 22 companies named in the Initiation Notice.¹⁵ No other party had requested a review of these ten companies. However, while the Department timely received the withdrawal request, we are not rescinding the review for these ten companies at this time because they currently do not have a separate rate and, therefore, remain as part of the PRC-wide entity. As noted above, the PRC-wide entity is under review for these preliminary results. Therefore, we are not rescinding the review with respect to the ten companies listed at Attachment II of this publication at this time.

During the review, two companies, Shanghai Jianhai International Trade Co., Ltd. (“Jianhai”) and Hangzhou Qingqing Mechanical Co. Ltd. (“Qingqing”), did not file a separate rate application or certification, nor did they file a no shipments certification. Accordingly, because Jianhai and Qingqing did not demonstrate their eligibility for a separate rate, the Department preliminarily determines that Jianhai and Qingqing are also part of the PRC-wide entity.

Methodology

The Department has conducted these reviews in accordance with sections 751(a)(1)(B) and 751(a)(2)(A)-(B) of the Act. We calculated constructed export prices and export prices in accordance with section 772 of the Act. Because the PRC is a nonmarket economy within the

¹² See also Statement of Administrative Action accompanying the Uruguay Round Agreements Act, H.R. Doc. No. 103-316, Vol. 1, at 870 (1994) (“SAA”).

¹³ See the Preliminary Decision Memorandum at the sections pertaining to “PRC-Wide Entity” and “Selection of Adverse Facts Available (“AFA”) Rate” for a discussion of the AFA rate.

¹⁴ See Letter from Petitioners to the Acting Secretary of Commerce “Fourth Administrative Review of Steel Wire Garment Hangers from China – Petitioner’s Withdrawal of Review Requests for Specific Companies” (February 21, 2013).

¹⁵ See Initiation Notice; see also Attachment II of this Federal Register notice.

meaning of section 771(18) of the Act, we calculated normal value in accordance with section 773(c) of the Act.

For a full description of the methodology underlying our conclusions, see the Preliminary Decision Memorandum, dated concurrently with these results and hereby adopted by this notice.¹⁶ The Preliminary Decision Memorandum is a public document and is on file electronically via Enforcement and Compliance's Antidumping and Countervailing Duty Centralized Electronic Service System ("IA ACCESS"). IA ACCESS is available to registered users at <http://iaaccess.trade.gov> and in the Central Records Unit ("CRU"), room 7046 of the main Department of Commerce building. In addition, parties can obtain a complete version of the Preliminary Decision Memorandum on the Internet at <http://trade.gov/enforcement/>. The signed Preliminary Decision Memorandum and the electronic versions of the Preliminary Decision Memorandum are identical in content.

Verification

As provided in sections 782(i)(3)(A)-(B) of the Act, we intend to verify the information upon which we will rely in determining our final results of review with respect to the Shanghai Wells Group.

Preliminary Results of Review

Regarding the administrative review, the Department preliminarily determines that the following weighted-average dumping margins exist for the period October 1, 2011, through September 30, 2012:

¹⁶ See Preliminary Decision Memorandum.

Exporter	Weighted-Average Dumping Margin
Shanghai Wells Group	6.76%
PRC-Wide Entity ¹⁷	187.25%

Regarding the NSR, the Department preliminarily determines that the following weighted-average dumping margin exists for the period October 1, 2011, through September 30, 2012:

Exporter	Producer	Weighted-Average Dumping Margin
Hangzhou Yingqing Material Co. Ltd.	Hangzhou Qingqing Mechanical Co. Ltd.	42.52%

Disclosure, Public Comment & Opportunity to Request a Hearing

The Department will disclose the calculations used in our analysis to parties in these reviews within five days of the date of publication of this notice.¹⁸

Because, as noted above, the Department intends to verify Shanghai Wells Group's information, we will establish the briefing schedule at a later time, and will notify parties of the schedule in accordance with 19 CFR 351.309(c)(1)(ii) and (d). We request interested parties who file case or rebuttal briefs in this proceeding to submit with each argument: (1) A statement

¹⁷ The PRC-wide entity includes (1) Shaoxing Dingli Metal Clotheshorse Co., Ltd., (2) Shaoxing Tongzhou Metal Manufactured Co., Ltd., (3) Shaoxing Andrew Metal Manufactured Co., Ltd., (4) Shaoxing Gangyuan Metal Manufacture, (5) Shaoxing Shunji Metal Clotheshorse Co., Ltd., (6) Shaoxing Guochao Metallic Products Co., Ltd., (7) Shanghai Jianhai International Trade Co., Ltd., (8) Ningbo Dasheng Hanger Ind. Co., Ltd., (9) Liaoning Metals & Mineral Imp/Exp Corp., (10) Shanghai Guoxing Metal Products Co. Ltd., (11) Shanghai Lian Development Co. Ltd., (12) Shanghai Shuang Qiang Embroidery Factory, (13) Shangyu Baoxiang Metal Manufactured Co. Ltd., (14) Shang Zhou Leather Shoes Plant, (15) Shaoxing Shuren Tie Co., Ltd., (16) Shaoxing Zhongbao Metal Manufactured Co., Ltd., (17) Shaoxing Zhongdi Foreign Trade Co., Ltd., (18) Zhejiang Lucky Cloud Hanger Co., Ltd., and (19) Hangzhou Qingqing Mechanical Co. Ltd.

¹⁸ See 19 CFR 351.224(b).

of the issue (2) a brief summary of the argument, not to exceed five pages, and 3) a table of authorities.¹⁹

Any interested party may request a hearing within 30 days of publication of this notice.²⁰ Hearing requests should contain the following information: (1) The party's name, address, and telephone number; (2) the number of participants; and (3) a list of the issues to be discussed. Oral presentations will be limited to issues raised in the case and rebuttal briefs.²¹ If a party requests a hearing, the Department will inform parties of the scheduled date for the hearing which will be held at the U.S. Department of Commerce, 14th Street and Constitution Avenue NW, Washington, DC 20230, at a time and location to be determined. Parties should confirm by telephone the date, time, and location of the hearing.

The Department intends to issue the final results of these reviews, including the results of its analysis of the issues raised in any written briefs, not later than 120 days after the date of publication of this notice, pursuant to section 751(a)(3)(A) of the Act.

Deadline for Submission of Publicly Available Surrogate Value Information

In accordance with 19 CFR 351.301(c)(3)(ii), the deadline for submission of publicly available information to value factors of production under 19 CFR 351.408(c) is 20 days after the date of publication of these preliminary results. In accordance with 19 CFR 351.301(c)(1), if an interested party submits factual information less than 10 days before or on the applicable deadline for submission of such factual information, an interested party may submit factual information to rebut, clarify, or correct the factual information no later than 10 days after such factual information is served on the interested party. However, the Department generally will

¹⁹ See 19 CFR 351.309(c) and (d). We note that a revised version of this regulation published on April 1, 2013, however it is not applicable. See <http://www.gpo.gov/fdsys/pkg/CFR-2013-title19-vol3/html/CFR-2013-title19-vol3.htm>.

²⁰ See 19 CFR 351.310(c).

²¹ Id.

not accept in the rebuttal submission additional or alternative surrogate value information not previously on the record, if the deadline for submission of surrogate value information has passed.²² Furthermore, the Department generally will not accept business proprietary information in either the surrogate value submissions or the rebuttals thereto, as the regulation regarding the submission of surrogate values allows only for the submission of publicly available information.²³ Finally, for each piece of factual information submitted with surrogate value rebuttal comments, the interested party must provide a written explanation of what information that is already on the record of the ongoing proceeding that the factual information is rebutting, clarifying, or correcting.

Assessment Rates

Upon issuance of the final results, the Department will determine, and CBP shall assess, antidumping duties on all appropriate entries covered by this review.²⁴ The Department intends to issue assessment instructions to CBP 15 days after the publication date of the final results of reviews.

In these preliminary results, the Department applied the assessment rate calculation method adopted in Final Modification for Reviews, i.e., on the basis of monthly average-to-average comparisons using only the transactions associated with that importer with offsets being provided for non-dumped comparisons.²⁵

Where the respondent has reported reliable entered values, we calculated importer (or customer)-specific ad valorem rates by aggregating the dumping margins calculated for all U.S.

²² See Glycine From the People's Republic of China: Final Results of Antidumping Duty Administrative Review and Final Rescission, in Part, 72 FR 58809 (October 17, 2007), and accompanying Issues and Decision Memorandum at Comment 2.

²³ See 19 CFR 351.301(c)(3).

²⁴ See 19 CFR 351.212(b).

²⁵ See Antidumping Proceeding: Calculation of the Weighted-Average Dumping Margin and Assessment Rate in Certain Antidumping Proceedings; Final Modification, 77 FR 8101, 8103 (February 14, 2012) ("Final Modification for Reviews").

sales to each importer (or customer) and dividing this amount by the total entered value of the sales to each importer (or customer).²⁶ Where the Department calculated a weighted-average dumping margin by dividing the total amount of dumping for reviewed sales to that party by the total sales quantity associated with those transactions, the Department will direct CBP to assess importer-specific assessment rates based on the resulting per-unit rates.²⁷ Where an importer- (or customer-) specific ad valorem or per-unit rate is greater than de minimis, the Department will instruct CBP to collect the appropriate duties at the time of liquidation.²⁸ Where an importer- (or customer-) specific ad valorem or per-unit rate is zero or de minimis, the Department will instruct CBP to liquidate appropriate entries without regard to antidumping duties.²⁹

Cash Deposit Requirements

The following cash deposit requirements will be effective upon publication of the final results of these reviews for shipments of the subject merchandise from the PRC entered, or withdrawn from warehouse, for consumption on or after the publication date, as provided by section 751(a)(2)(C) of the Act: (1) For the companies listed above, the cash deposit rate will be established in the final results of these reviews (except, if the rate is zero or de minimis, then zero cash deposit will be required); (2) for previously investigated or reviewed PRC and non-PRC exporters not listed above that received a separate rate in a prior segment of this proceeding, the cash deposit rate will continue to be the exporter-specific rate published for the most recent period; (3) for all PRC exporters of subject merchandise that have not been found to be entitled to a separate rate, the cash deposit rate will be the PRC-wide rate of 187.25 percent; and (4) for all non-PRC exporters of subject merchandise which have not received their own rate,

²⁶ See 19 CFR 351.212(b)(1).

²⁷ Id.

²⁸ Id.

²⁹ See 19 CFR 351.106(c)(2).

the cash deposit rate will be the rate applicable to the PRC exporter that supplied that non-PRC exporter.

With respect to Yingqing, the NSR respondent, the Department has established a combination cash deposit rate for this company consistent with its practice as follows: (1) For subject merchandise produced by Qingqing and exported by Yingqing, the cash deposit rate will be the rate established for Yingqing in the final results of the NSR; (2) for subject merchandise exported by Yingqing, but not produced by Qingqing, the cash deposit rate will be the rate for the PRC-wide entity; and (3) for subject merchandise produced by Qingqing but not exported by Yingqing, the cash deposit rate will be the rate applicable to the exporter.

These deposit requirements, when imposed, shall remain in effect until further notice.

Notification to Importers

This notice also serves as a preliminary reminder to importers of their responsibility under 19 CFR 351.402(f)(2) to file a certificate regarding the reimbursement of antidumping duties prior to liquidation of the relevant entries during this review period. Failure to comply with this requirement could result in the Department's presumption that reimbursement of antidumping duties occurred and the subsequent assessment of double antidumping duties.

These determinations are issued and published in accordance with sections 751(a)(1), 751(a)(2)(B), and 777(i)(1) of the Act.

Dated: November 18, 2013.

Paul Piquado,
Assistant Secretary
for Enforcement and Compliance.

Attachment I

List of Topics Discussed in the Preliminary Decision Memorandum:

1. Background
2. Respondent Selection
3. Scope of the Order
4. PRC-Wide Entity
5. Affiliations
6. Bona Fides Analysis
7. Non-Market Economy Status
8. Separate Rates
9. Separate Rates Recipients
10. Use of Facts Available and AFA
11. Application of Total AFA to the PRC-Wide Entity
12. Selection of AFA Rate
13. Corroboration of Information
14. Surrogate Country and Surrogate Value Data
15. Surrogate Country
16. Date of Sale
17. Determination of Comparison Method
18. Results of Differential Pricing Analysis
19. Comparison to Normal Value
20. U.S. Price
21. Normal Value
22. Factor Valuations
23. Company Specific Issues
24. Currency Conversion
25. Conclusion

Attachment II

List of companies for which Petitioner timely withdrew its request for review.

1. Liaoning Metals & Mineral Imp/Exp Corp.,
2. Shanghai Guoxing Metal Products Co. Ltd.,
3. Shanghai Lian Development Co. Ltd.,
4. Shanghai Shuang Qiang Embroidery Factory,
5. Shangyu Baoxiang Metal Manufactured Co. Ltd.,
6. Shang Zhou Leather Shoes Plant,
7. Shaoxing Shuren Tie Co., Ltd.,
8. Shaoxing Zhongbao Metal Manufactured Co., Ltd.,
9. Shaoxing Zhongdi Foreign Trade Co., Ltd., and
10. Zhejiang Lucky Cloud Hanger Co., Ltd.
- 11.
- 12.
13. [FR Doc. 2013-28089 Filed 11/22/2013 at 8:45 am; Publication Date: 11/25/2013]